EXHIBIT B TO COMMERCIAL LINE SHARING AGREEMENT

1. All of CLEC's Line Sharing arrangements ordered pursuant to this Agreement, shall not be subject to performance assurance plan remedies or any other service quality standards or remedies applicable to Qwest.

In lieu of these performance provisions, Qwest shall provide performance reporting on the following commercial line sharing metrics:

- Firm Order Commitments On Time
- Installation Commitments Met
- Order Installation Interval
- Out of Service Cleared within 24 Hours
- Mean Time to Restore
- Trouble Rate

The business rules for the foregoing metrics are attached and are subject to change upon written notice to CLEC. In addition, Qwest shall provide CLEC with ad hoc data showing the monthly Repeat Trouble rate for Commercial Line Sharing arrangements in a reasonable form and manner for the term of the Agreement in any month that CLEC makes a written request for such ad hoc data.



Line Sharing Commercial Measurement Definitions

Version 1.2

June 7, 2004

FOC-1 - Firm Order Confirmations (FOCs) On Time

Purpose:

Monitors the timeliness with which Qwest returns Firm Order Confirmations (FOCs) to CLECs in response to LSRs received from CLECs, focusing on the degree to which FOCs are provided within specified intervals.

Description:

Measures the percentage of Firm Order Confirmations (FOCs) that are provided to CLECs within the intervals specified under "Standards" below for FOC notifications.

- Includes all LSRs that are submitted through IMA-GUI and IMA-EDI interfaces that
 receive an FOC during the reporting period, subject to exclusions specified below.
 (Acknowledgments sent separately from an FOC (e.g., EDI 997 transactions are not
 included.)
- LSRs will be evaluated according to the FOC interval categories shown in the "Standards" section below, based on the number of lines/services requested on the LSR or, where multiple LSRs from the same CLEC are related, based on the combined number of lines/services requested on the related LSRs.

Reporting Period: One month

Unit of Measure: Percent

Reporting: Individual CLEC

Disaggregation Reporting: Regional level.

Formula:

FOC-1 = {[Count of LSRs for which the original FOC's "(FOC Notification Date & Time) - (Application Date & Time)" is within the intervals specified for the service category involved] ÷ (Total Number of original FOC Notifications transmitted for the service category in the reporting period)} x 100

- LSRs involving individual case basis (ICB) handling based on quantities of lines, as specified in the "Standards" section below, or service/request types, deemed to be projects.
- Hours on Weekends and holidays.
- LSRs with CLEC-requested FOC arrangements different from standard FOC arrangements.
- Records with invalid product codes.
- Records missing data essential to the calculation of the measurement per the measure definition.
- Duplicate LSR numbers. (Exclusion to be eliminated upon implementation of IMA capability to disallow duplicate LSR #'s.)
- Invalid start/stop dates/times.

Product Reporting: Line Sharing			
	Standard FOC	<u>Intervals</u>	FOC
	Product Group NOTE 1		Interval
	Line Sharing loops	1-24 shared	24 hours
Availability: TBD			

	•			··· · · · · · · · · · · · · · · · · ·
i	Notes:			1
	LSRs with qua	ntities ab	ove the highest num	ber specified for
	each product ty		-	•

ICM-1 - Installation Commitments Met

Purpose:

Evaluates the extent to which Qwest installs services for Customers by the scheduled due date.

Description:

Measures the percentage of orders for which the scheduled due date is met.

- All inward orders (Change, New, and Transfer order types) assigned a due date by Qwest and
 which are completed/closed during the reporting period are measured, subject to exclusions
 specified below. Change order types included in this measurement consist of all C orders
 representing inward activity (with "1" and "T" action coded line LISOCs). Also included are orders with
 customer-requested due dates longer than the standard interval.
 - Completion date on or before the Applicable Due Date recorded by Qwest is counted as a met due date. The Applicable Due Date is the original due date or, if changed or delayed by the customer, the most recently revised due date, subject to the following: If Qwest changes a due date for Qwest reasons, the Applicable Due Date is the customer-initiated due date, if any, that is (a) subsequent to the original due date and (b) prior to a Qwest-initiated, changed due date, if any.

Reporting Period: One month

Unit of Measure: Percent

Reporting: Individual CLEC

Disaggregation Reporting: Regional level.

 Results for product/services listed in Product Reporting under "MSA Type Disaggregation" will be reported according to orders involving:

ICM-1A Dispatches (Includes within MSA and outside MSA); and ICM-1B No dispatches.

 Results for products/services listed in Product Reporting under "Zone-type Disaggregation" will be reported according to installations: ICM-1C Interval Zone 1 and Interval Zone 2 areas.

Formula:

[(Total Orders completed in the reporting period on or before the Applicable Due Date) + (Total Orders Completed in the Reporting Period)] x 100

- · Disconnect, From (another form of disconnect) and Record order types.
- Due dates missed for standard categories of customer and non-Qwest reasons. Standard
 categories of customer reasons are: previous service at the location did not have a customerrequested disconnect order issued, no access to customer premises, and customer hold for
 payment. Standard categories of non-Qwest reasons are: Weather, Disaster, and Work Stoppage.
- · Records involving official company services.
- Records with invalid due dates or application dates.
- · Records with invalid completion dates.
- Records with invalid product codes.
- Records missing data essential to the calculation of the measurement per the measure definition.

Product Reporti	ng		
MSA-Type:			
Line Shar	ing		
Zone-Type:			
Availability: TBD	Notes:	 	

Oil-1 - Order Installation Interval

Purpose:

Evaluates the timeliness of Qwest's installation of services for CLECs, focusing on the average time to install service.

Description:

Measures the average interval (in business days) between the application date and the completion date for service orders accepted and implemented.

- Includes all inward orders (Change, New, and Transfer order types) assigned a due date by Qwest and which are completed/closed during the reporting period, subject to exclusions specified below. Change order types for additional lines consist of all C orders representing inward activity.
- Intervals for each measured event are counted in whole days: the application date is day zero (0);
 the day following the application date is day one (1).
- The Applicable Due Date is the original due date or, if changed or delayed by the CLEC, the most
 recently revised due date, subject to the following: If Qwest changes a due date for Qwest
 reasons, the Applicable Due Date is the CLEC-initiated due date, if any, that is (a) subsequent to
 the original due date and (b) prior to a Qwest-initiated, changed due date, if any.
- Time intervals associated with CLEC-initiated due date changes or delays occurring after the
 Applicable Due Date, as applied in the formula below, are calculated by subtracting the latest
 Qwest-initiated due date, if any, following the Applicable Due Date, from the subsequent CLEC-initiated due date, if any.

Reporting Period: One month

Unit of Measure: Average Business Days

Reporting: Individual CLEC

Disaggregation Reporting: Regional level.

- Results for product/services listed in Product Reporting under "MSA Type Disaggregation" will be reported according to orders involving:
 - OII-1A Dispatches (Includes within MSA and outside MSA); and OII-1B No dispatches.
- Results for products/services listed in Product Reporting under "Zone-type Disaggregation" will be reported according to installations;
 Oll-1C Interval Zone 1 and Interval Zone 2 areas.

Formula:

 Σ [(Order Completion Date) – (Order Application Date) – (Time interval between the Original Due Date and the Applicable Date) – (Time intervals associated with CLEC-initiated due date changes or delays occurring after the Applicable Due Date)] ÷ Total Number of Orders Completed in the reporting period

Explanation: The average installation interval is derived by dividing the sum of installation intervals for all orders (in business days) by total number of service orders completed in the reporting period.

- Orders with CLEC requested due dates greater than the current standard interval.
- Disconnect, From (another form of disconnect) and Record order types.
- Records involving official company services.
- Records with invalid due dates or application dates.
- · Records with invalid completion dates.
- Records with invalid product codes.

definition.	dual case basis (ICI	lation of the measurement per the measure 3) handling based on quantities of lines, circuits
MSA-Type -		Reported As:
Line Sharing		Average husiness days
		
Zone-Type -		
•		
Availability: TBD	change, per delays, up to occurs. At the first time interval time interval description. Qwest-initial calculating of initiated due date change pairing of Quest this approact counted in the control of the counted in the counter counted in the counted in the counted in the counted in the counter counted in the counter counter counted in the counter coun	o this definition, the Applicable Due Date can successive CLEC-initiated due date changes or to the point when a Qwest-initiated due date change that point, the Applicable Due Date becomes fixed of further changes) as the date on which it was set first Qwest-initiated due date change, if any, we first Qwest-initiated due date change, any further ted due date changes or delays are measured as its that are subtracted as indicated in the formula, by time intervals are calculated as stated in the (Though infrequent, in cases where multiple ted due date changes occur, the stated method for delay intervals is applied to each pair of Qwest-ed date change and subsequent CLEC-initiated due to or delay. The intervals thus calculated from each west and CLEC-initiated due dates are summed btracted as indicated in the formula.) The result of this that Qwest-initiated impacts on intervals are the reported interval, and CLEC-initiated impacts on a not counted in the reported interval.

OOS24-1 - Out of Service Cleared within 24 Hours

Purpose:

Evaluates timeliness of repair for specified services, focusing on trouble reports where the out-of-service trouble reports were cleared within the standard estimate for specified services (i.e., 24 hours

for out-of-service conditions).

Description:

Measures the percentage of out of service trouble reports, involving specified services, that are

cleared within 24 hours of receipt of trouble reports from CLECs or from retail customers.

- Includes all trouble reports, closed during the reporting period, which involve a
 specified service that is out-of-service (i.e., unable to place or receive calls), subject to
 exclusions specified below.
- Time measured is from date and time of receipt to date and time trouble is indicated as cleared.

Reporting Period: One month

Unit of Measure: Percent

Reporting: Individual CLEC

Disaggregation Reporting: Regional level.

- Results for product/services listed in Product Reporting under "MSA Type Disaggregation" will be reported according to orders involving:
 - OOS24-1A Dispatches (Includes within MSA and outside MSA); and

OOS24-1B No dispatches.

- Results for products/services listed in Product Reporting under "Zone-type Disaggregation" will be reported according to installations:
 - OOS24-1C Interval Zone 1 and Interval Zone 2 areas.

Formula:

[(Number of Out of Service Trouble Reports closed in the reporting period that are cleared within 24

hours) [(Total Number of Out of Service Trouble Reports closed in the reporting period)] x 100

Exclusions:

- Trouble reports coded as follows:
 - For products measured from MTAS data (products listed for MSA-type disaggregation), trouble reports coded to disposition codes for: Customer Action; Non-Telco Plant; Trouble Beyond the Network Interface; No Field Visit Test OK, No Field Visit Found OK, Field Visit Found OK, and Miscellaneous -- Non-Dispatch, non-Qwest (includes CPE, Customer Instruction, Cerrier, Alternate Provider).

For products measured from WFA (Workforce Administration) data (products listed for Zone-type disaggregation) trouble reports coded to trouble codes for No Trouble Found (NTF), Test O K (TOK), Carrier Action (IEC) and Customer Provided Equipment (CPE).

- Subsequent trouble reports of any trouble before the original trouble report is closed.
- Information tickets generated for internal Qwest system/network monitoring purposes.
- Time delays due to "no access" are excluded from repair time for products/services listed in Product Reporting under "Zone-type Disaggregation".
- For products measured from MTAS data (products listed for MSA-type disaggregation), trouble reports involving a "no access" delay.

- Trouble reports on the day of installation before the installation work is reported by the technician/installer as complete.
- Records involving official company services.
- Records with invalid trouble receipt dates.
- · Records with invalid cleared or closed dates.
- Records with invalid product codes.
- Records missing data essential to the calculation of the measurement per the measure definition.

Product Report	ing:			
MSA-Type -	- ,			
 Line Sharing 				
			.,	
Zone-Type -		 		 ·
•		 		
Availability: TBD	Notes:			

MTTR-1 - Mean Time to Restore

Purpose:

Evaluates timeliness of repair, focusing how long it takes to restore services to proper operation.

Description:

Measures the average time taken to clear trouble reports.

- Includes all trouble reports closed during the reporting period, subject to exclusions specified below.
- Includes customer direct reports, customer-relayed reports, and test assist reports that result in a trouble report.
- Time measured is from date and time of receipt to date and time trouble is cleared.

Reporting Period: One month

Unit of Measure: Hours and Minutes

Reporting:

Disaggregation Reporting: Regional level.

Individual CLEC . •

- Results for product/services listed in Product Reporting under "MSA Type Disaggregation" will be reported according to orders involving:
 - MTTR-1A Dispatches (Includes within MSA and outside MSA); and

MTTR-1B No dispatches.

- Results for products/services listed in Product Reporting under "Zone-type Disaggregation" will be reported according to installations:
 - MTTR-1C Interval Zone 1 and Interval Zone 2 areas.

Formula:

\(\sum_{\text{(Date & Time Trouble Report Cleared)}}\) – (Date & Time Trouble Report Opened)] ÷ (Total number of Trouble Reports closed in the reporting period)

Exclusions:

Trouble reports coded as follows:

For products measured from MTAS data (products listed for MSA-type disaggregation), trouble reports coded to disposition codes for: Customer Action; Non-Telco Plant; Trouble Beyond the Network Interface; No Field Visit Test OK, No Field Visit Found OK, Field Visit Found OK, and Miscellaneous — Non-Dispatch, non-Qwest (includes CPE, Customer Instruction, Carrier, Alternate Provider).

- For products measured from WFA (Workforce Administration) data (products listed for Zone-type disaggregation) trouble reports coded to trouble codes for No Trouble Found (NTF), Test O K (TOK), Carrier Action (IEC) and Customer Provided Equipment (CPE).
- Subsequent trouble reports of any trouble before the original trouble report is closed.
- Information tickets generated for internal Qwest system/network monitoring purposes.
- Time delays due to "no access" are excluded from repair time for products/services listed in Product Reporting under "Zone-type Disaggregation".
- For products measured from MTAS data (products listed for MSA-type disaggregation), trouble
 reports involving a "no access" delay.
- Trouble reports on the day of installation before the installation work is reported by the technician/installer as complete.
- Records involving official company services.
- · Records with invalid trouble receipt dates.
- · Records with invalid cleared or closed dates.
- · Records with invalid product codes.
- Records missing data essential to the calculation of the measurement per the measure definition.

Product Reporting:		
MSA-Type – Line Sharing		<u> </u>
- ·		•
Zone-Type -		
•		
Availability:	Notes:	
TBD		

TR-1 - Trouble Rate

Purpose:

Evaluates the overall rate of trouble reports as a percentage of the total installed base of the service or element.

Description:

Measures trouble reports by product and compares them to the number of lines in service.

- Includes all trouble reports closed during the reporting period, subject to exclusions specified below.
- Includes all applicable trouble reports, including those that are out of service and those
 that are only service-affecting.

:	Reporting Period: One month	Unit of Measure: Percent
	Reporting Individual CLEC	Disaggregation Reporting: Regional level.

Formula:

[(Total number of trouble reports closed in the reporting period involving the specified service grouping) ÷ (Total number of the specified services that are in service in the reporting period)] x 100

- · Trouble reports coded as follows:
 - For products measured from MTAS data (products listed for MSA-type, trouble reports coded to disposition codes for: Customer Action; Non-Telco Plant; Trouble Beyond the Network Interface; No Field Visit Test OK, No Field Visit Found OK, Field Visit Found OK, and Miscellaneous Non-Dispatch, non-Qwest (includes CPE, Customer Instruction, Carrier, Alternate Provider).
 - For products measured from WFA (Workforce Administration) data (products listed for Zonetype) trouble reports coded to trouble codes for No Trouble Found (NTF), Test O K (TOK), Carrier Action (IEC) and Customer Provided Equipment (CPE).
- Subsequent trouble reports of any trouble before the original trouble report is closed.
- Information tickets generated for internal Qwest system/network monitoring purposes.
- Time delays due to "no access" are excluded from repair time for products/services listed in Product Reporting under "Zone-type".
- For products measured from MTAS data (products listed for MSA-type, trouble reports involving a "no access" delay.)
- Trouble reports on the day of installation before the installation work is reported by the technician/installer as complete.
- Records involving official company services.
- Records with invalid trouble receipt dates.
- Records with invalid cleared or closed dates.
- · Records with invalid product codes.
- Records missing data essential to the calculation of the measurement per the measure definition.

Product Reporting:	
MSA Type:	L
Line Sharing	
Zone Type:	
•	
Availability: TBD	Notes:

EXHIBIT WC-2

This Master Services Agreement, which includes this signature page, the subsequent general terms and conditions, the Rate Sheet for each applicable state, Exhibit 1 (Qwest Platform Plus Service), and Attachment A to Exhibit 1 (Performance Metrics) attached hereto or incorporated herein by reference (collectively the "Agreement") is entered into between Qwest Corporation ("Qwest") and MCImetro Access Transmission Services LLC ("MCI") (each identified for purposes of this Agreement in the signature blocks below, and referred to separately as a "Perty" or collectively as the "Parties"), on behalf of itself and its Affiliates. This Agreement may be executed in counterparts. This Agreement shall become effective on the Effective Date. The undersigned Parties have read and agree to the terms and conditions set forth in the Agreement.

OWEST CORPO	DRATION:	CLEC:
Ву:	h	MCImetro Access Transmission Services LLC, A Delaware limited liability company
[Name]:	Steven Hansen	Ву:
[Time]:	Director	[Name]:
Date:	July 16, 2004	(Title):
		Date:
NOTICE INFORM	NATION: All written notices required under the Ag	reement shall be sent to the following:
To Owest Corp.:		To MCt:
1801 California St Denver, CO 8020	treet, Suite 2420	22001 Loudon County Parkway, Ste. G2-3-614
Phone #: 303-896		Ashburn VA 20147 Phone #: 703-886-1918
Facsimile #: 303-	965-7077	Facsimile #: 703-886-0118
E-mail: Intagree (gwest.com	E-mail: <u>peter.h.reynolds@mci.com</u>
Attention: Manag	per-Interconnection	Attention: Peter H. Reynolds, Dir., Nat'l Carrier Contracts
With copy to:	Cwest c/o 1801 California Street, Suite 4900 Deriver, Colorado 80202 Facsimile #: 1-303-295-6973 Attention: Corporate Counsel, Wholesale Reference: MSA for Owest Platform Plus Ser	MCI Chief Network Counsel Bldg. E1-3-501 22001 Loudoun County Parkway Ashbum, Virginia, 20147 (Facsimile (703) 886-4399) vice
	APPLICABLE SERVICES:	APPLICABLE STATES:
Qwest agrees to below by MCI's s	offer and MCI intends to purchase the Services in ignatory initialing on the applicable blanks:	ndicated Owest agrees to offer and MCI intends to purchase Owest Platform Plus ("OPP") service in the states indicated below by MCI's signatory initialing on the applicable blanks:
	t 1 - Qwest Platform Plus Service	X Arizona X Colorado X Idaho X Idaho X Iowa X Minnesota X Montana X Nebraska X New Mexico X North Dakota X Cregon X South Dakota X Washington X Wyoming

Owest MSA

services.

This Moster Services Agreement, which includes this signature page, the subsequent general terms and conditions, the Rate Sheet for each applicable state, Exhibit 1 (Gwest Platform Phus Service), and Attachment A to Exhibit 1 (Performance Metrics) attached hereto or incorporated herein by reference (collectively the "Agreement") is entered into between Qwest Corporation ("Qwest") and McImptro Access Transmission Services LLC ("MCI") (sech identified for purposes of this Agreement in the signature blocks below, and referred to separately as a "Party" or collectively as the "Parties"), on behalf of Itaelf and its Affiliates. This Agreement may be executed in counterparts. This Agreement shall become effective on the Effective Date. The underzigned Parties have read and agree to the terms and conditions set forth in the Agreement.

QWEST CORPORATION:	CLEC:
	MCImetro Accese Transmitsion Services LLC,
8у:	A Delaward Arrivet liability of Thamy
(Name):	BY: \ \MM\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\
INSERT AUTHORIZED REPRESENTATIVE OF SUCH	(Name Wayne E, Huyard
ENTITY)	[Title]: President; U.S. Sales & Service
[Tixle].	Date: 116/0 4
Date:	
NOTICE INFORMATION: All written notices required under the	e Agreement shall be sent to the following:
To Owest Corp.:	To MCI:
180° California Street, Sulte 2420	22001 Loudous Cty. Pkuy Suite 62-3-614
Denver, CO 80202 Phone #: 303-896-3029	Phone #: 1303) 9845 - 1918
Facsimile #- 303-965-7077	Facsimile #: (704) SKG OUS
E-mail: Integree@owest.com Attention: Manager-Interconnection	Attention: Befor H. Bey rolds Dir. North. Corrier Contract
Augustin. Warranger-Trap. Commercial	Authority of the second of the
With copy to: Qwest	MCI
cto 1801 California Street, Suite 4900 Denver, Colorado 80202	Chief Network Counsel
Facsimile #: 1-303-295-6973	Bidg. E1-3-501 22001 Loudoun County Parkway
Attention: Corporate Counsel, Wholesale Reference: MSA for Owest Platform Plus:	Ashburn, Virginia, 20147 (Facsimile (703) 886-4399)
APPLICABLE SERVICES:	APPLICABLE STATES:
Qwest agrees to offer and MCI intends to purchase the Service below by MCI's algoritory initialing on the applicable blanks:	Owest agrees to offer and MCI intends to purchase Owest Platform Plus ("OPP") service in the states indicated below by MCI's signatory initialing on the applicable blanks:
x_ Exhibit 1 - Qwest Platform Plus Service	X Arizona
	X Colorado X Idaho
	K lowa
	X Montana
	X Nebraska
	X New Mexico
	X North Dakota X Oregon
	X South Dakota
	X Utah

Page 1 of 15

GENERAL TERMS AND CONDITIONS

WHEREAS, MCI previously purchased on an unbundled basis from Qwest certain combinations of network elements, anciliary functions, and additional features, including without limitation the local loop, port, switching, and shared transport combination commonly known as unbundled network element platform ("UNE-P");

WHEREAS such UNE-P arrangements were previously obtained by MCI under the terms and conditions of certain interconnection agreements ("ICA"), including without limitation in certain states Qwest's statement of generally available terms ("SGAT");

WHEREAS both MCI and Qwest acknowledge certain regulatory uncertainty in light of the DC Circuit Court's decision in United States. Telecom Association v. FCC, 359 F.3d 554 (March 2, 2004) ("DC Circuit Mandate"), with respect to the future existence, scope, and nature of Qwest's obligation to provide such UNE-P arrangements under the Communications Act (the "Act"); and

WHEREAS to address such uncertainty and to create a stable arrangement for the continued availability to MCI from Qwest of services technically and functionally equivalent to the June 14, 2004 UNE-P arrangements the parties have contemporaneously entered into ICA amendments;

Now, therefore, in consideration of the terms and conditions contained herein, MCI and Gwest hereby mutually agree as follows:

- <u>Definitions</u>. Capitalized terms used herein are defined in Addendum 1.
- Effective Date. This Agreement shall become effective on July 16, 2004 ("Effective Date").
- 3. Term. The term of this Agreement shall begin on the Effective Date and shall continue through July 31, 2008. At any time within 6 months prior to expiration of the Agreement, either Party may provide notice of renegotiation. The Parties shall meet and negotiate in good faith a transition of existing customers. Upon mutual agreement, the term of the Agreement may be extended upon the same terms and conditions for no more than one (1) extension period, and such extension period shall not exceed six (6) months to allow MCI to transition its customers to other services. In the event that at the expiration of the Agreement or of the extension period, as the case may be, MCI has any remaining customers served under this Agreement, Qwest may immediately convert MCI to an equivalent afternative service at market-based wholesale rates.
- 4. Scope of Agreement; Service Provisioning: Controlling Documents: Change of Law; Eligibility for Services under this Agreement; Non-Applicability of Change Management Process.
- 4.1 The services described in this Agreement will only be provided in Qwest's incumbent LEC service territory in the states of Arizona, Colorado, Idaho. Iowa, Minnesota, Montana, Nebraska, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington and Wyoming.
- 4.2 Each of the Services shall be provided pursuant to the terms and conditions of this Agreement. In the event of a conflict between the terms of any Service Exhibit attached hereto and these General Terms and Conditions, the Service Exhibit shall control. The terms of this Agreement, including any Annax or Service Exhibit, shall supersede any inconsistent terms and conditions contained in an Order Form. MCI acknowledges and agrees that the Services shall be offered by Owest pursuant to this Agreement and are subject to (i) compliance with all applicable taws and regulations; and (ii) obtaining any domestic or foreign approvals and authorizations required or advisable.
- 4.3 The provisions in this Agreement are intended to be in compliance with and based on the existing state of the law, rules, regulations and interpretations thereof, including but not limited to Federal rules, regulations, and laws, as of the Effective Date regarding Owest's obligation under Section 271 of the Act to continue to provide certain Network Elements ("Existing Rules"). Nothing in this

- Agreement shall be deemed an admission by Qwest or MCI concerning the interpretation or effect of the Existing Rules or an admission by Qwest or MCI that the Existing Rules should not be changed, vacated, dismissed, stayed or modified. Nothing in this Agreement shall preclude or estop Qwest or MCI from taking any position in any forum concerning the proper interpretation or effect of the Existing Rules or concerning whether the Existing Rules should be changed, vacated, dismissed, stayed or modified.
- 4.4 If a change in law, rule, or regulation materially impairs a Party's ability to perform or obtain a benefit under this Agreement, both Parties agree to negotiate in good faith such changes as may be necessary to address such material impairment.
- 4.5 To receive services under this Agreement, MCI must be a certified CLEC under applicable state rules, MCI may not purchase or utilize services or Network Elements covered under this Agreement for its own administrative use or for the use by an Affliate.
- 4.6 Except as otherwise provided in this Agreement, the Parties agree that Network Elements and services provided under this Agreement are not subject to the Qwest Wholesale Change Management Process ("CMP") requirements, Qwest's Performance Indicators (PID), Performance Assurance Plan (PAP), or any other wholesale service quality standards, liquidated damages, and remedies. Except as otherwise provided, MCI hereby weives any rights it may have under the PID, PAP and all other wholesale service quality standards, liquidated damages, and remedies with respect to Network Elements and services provided pursuant to this Agreement. Notwithstanding the foregoing, MCI proposed changes to QPP attributes and process enhancements will be communicated through the standard account interfaces. Change requests common to shared systems and processes subject to CMP will continue to be addressed via the CMP procedures.
- 5. MCI Information. MCI agrees to work with Owest in good faith to promptly complete or update, as applicable, Qweat's "New Customer Questionnaire" to the extent that MCI has not already done so, and MCI shall hold Qwest harmless for any damages to or claims from MCI caused by MCI's failure to complete or update the questionnaire.
- 6. Financial Terms.

Rates and Terms

Each attached Service Exhibit specifies the description, terms, and conditions specific to that Network Element or service. The applicable rates for each Network Element or service contained in a Service Exhibit shaft be contained in the applicable Rate Sheets, the contents of which are incorporated into this Agreement by reference. The Parties agree that the rates set forth in the Rate Sheet are just and reasonable. The Parties agree that no rates, charges, costs, or fees shall apply to the Network Elements or services provided under this Agreement other than as is set forth in the Rate Sheets. The rates will not necessarily include Taxes, fees, or surcharges. No Taxes, fees, or surcharges shall apply to the QPP service except such Taxes, fees and surcharges as apply to the UNE-P service as of June 14, 2004, unless a subsequent change in applicable law requires the applicability of new or additional Taxes, fees, or surcharges to the QPP service.

Taxes, Fees, and other Governmental Impositions

- All charges for Services provided herein are exclusive of any federal, state, or local sales, use, excise, gross receipts, transaction or similar taxes, fees or surcharges ("Tax" or "Taxes"). Taxes resulting from the performance of this Agreement shall be borne by the Party upon which the obligation for payment is imposed under Applicable Law, even if the obligation to collect and remit such Taxes is placed upon the other Party. However, where the selling Party is specifically permitted by an Applicable Law to collect such Taxes from the purchasing Party, such Taxes shall be borne by the Party purchasing the services. Each Perty is responsible for any tax on its corporate existence, status or income. Taxes shall be billed as a separate item on the invoice in accordance with Applicable Law. The Party billing such Taxes shall, at the written request of the Party billed, provide the billed Party with detailed information regarding billed Taxes, including the applicable Tax jurisdiction, rate, and base upon which the Tax is applied. If either Party (the Contesting Party) contests the application of any Tax collected by the other Party (the Collecting Party), the Collecting Party shall reasonably cooperate in good faith with the Contesting Party's challenge, provided that the Contesting Party pays any reasonable costs incurred by the Collecting Party. The Contesting Party is entitled to the benefit of any refund or recovery resulting from the contest, provided that the Contesting Party has paid the Tax contested. If the purchasing Party provides the selling Party with a resale or other exemption certificate, the selling Party shall exempt the purchasing Party if the purchasing Party accepts the certificate in good faith. If a Party becomes aware that any Tax is incorrectly or erroneously collected by that Party from the other Party or paid by the other Party to that Party, that Party shall refund the incorrectly or erroneously collected Tax or paid Tax to the other Party.
- 6.3 Each Party shall be solely responsible for all taxes on its own business, the measure of which is its own net income or net worth and shall be responsible for any related tax filings, payment, protest, audit and litigation. Each Party shall be solely responsible for the billing, collection and proper remittance of all applicable Taxes relating to its own services provided to its own customers.

7. <u>intellectual Property</u>.

7.1 Except for a Ilcense to use any facilities or equipment (including software) solely for the purposes of this Agreement or to receive any service solely (a) as provided in this Agreement or (b) as specifically required by the then-applicable federal rules and regulations relating to the Network Elements or service provided under this Agreement, nothing contained within this Agreement shall be construed as the grant of a license, either express or implied, with respect to any patent, copyright, trade name, trade mark, service mark, trade secret, or other proprietary interest or intellectual property, now or hereafter owned, controlled or licenselle by either Party. Nothing in this Agreement shall be construed as the grant to the other Party of any rights or licenses to trade or service marks.

- Subject to the general Indemnity provisions of this Agreement, each Party (an Indemnifying Party) shall indemnify and hold the other Party (an Indemnified Party) harmless from and against any loss, cost, expense or liability ansing out of a claim that the services provided by the Indemnitying Party provided or used pursuent to the terms of this Agreement misappropriate or otherwise violate the intellectual property rights of any third party. The obligation for indemnification recited in this paragraph shall not extend to infringement which results from (a) any combination of the facilities or services of the Indemnifying Party with facilities or services of any other Person (including the Indemnified Party but excluding the Indemnifying Party and any of its Affiliates), which combination is not made by or at the direction of the Indemnifying Party or is not reasonably necessary to MCI's use of the Network Elements and services offered by Owest under this Agreement or (b) any modification made to the facilities or services of the indemnifying Party by, on behalf of, or at the request of the Indemnified Party and not required by the Indemnifying Party. In the event of any claim, the Indemnifying Party may, at its sole option (a) obtain the right for the Indemnified Party to continue to use the facility or service; or (b) replace or modify the facility or service to make such facility or service non-infringing. If the Indemnifying Party is not reasonably able to obtain the right for continued use or to replace or modify the facility or service as provided in the preceding sentence and either (a) the facility or service is held to be infringing by a court of competent jurisdiction or (b) the Indemnifying Party reasonably believes that the facility or service will be held to infringe, the Indemnifying Party shall notify the Indemnified Party and the Parties shall negotiate in good taith regarding reasonable modifications to this Agreement necessary to (1) mitigate damage or comply with an injunction which may result from such infringement or (2) allow cossistion of further infringement. The indemnifying Party may request that the Indemnified Party take steps to mitigate damages resulting from the infringement or alleged infringement including, but not limited to, accepting modifications to the facilities or services, and such request shall not be unreasonably denied.
- 7.3 To the extent required under applicable federal and state law, Qwest shall use commercially reasonable efforts to obtain, from its vendors who have licensed intellectual property rights to Qwest in connection with facilities and services provided hereunder, licenses under such intellectual property rights as necessary for MCI to use such facilities and services as contemplated hereunder and at least in the same manner used by Qwest for the facilities and services provided hereunder. Qwest shall notify MCI immediately in the event that Qwest believes it has used its commercially reasonable efforts to obtain such rights, but has been unsuccessful in obtaining such rights. Nothing in this subsection shall be construed in any way to condition, limit, or alter a Party's indemnification obligations under Section 7.2, preceding.
- 7.4 Except as expressly provided in this intellectual Property Section, nothing in this Agreement shall be construed as the grant of a license, either express or implied, with respect to any patent, copyright, logo, trademark, trade name, trade secret or any other intellectual property right now or hereafter owned, controlled or licensable by either Party. Neither Party may use any patent, copyright, logo, trademark, trade name, trade secret or other intellectual property rights of the other Party or its Affiliates without execution of a separate agreement between the Parties.
- 7.5 Neither Party shall without the express written permission of the other Party, state or imply that: 1) it is connected, or in any way affiliated with the other or its Affiliates; 2) it is part of a joint business association or any similar arrangement with the other or its Affiliates; 3) the other Party and its Affiliates are in any way sponsoring, endorsing or certifying it and its goods and services; or 4) with respect to its marketing, advertising or promotional activities or materials, the

services are in any way associated with or originated from the other Party or any of its Affiliates. Nothing in this paragraph shall prevent either Party from truthfully describing the Network Elements and services it uses to provide service to its End User Customers, provided it does not represent the Network Elements and services as originating from the other Party or its Affiliates or otherwise attempt to sell its End User Customers using the name of the other Party or its Affiliates.

- 7.6 Owest and MCI each recognize that nothing contained in this Agreement is intended as an assignment or grant to the other of any right, title or interest in or to the trademarks or service marks of the other (the Marks) and that this Agreement does not confer any right or license to grant sublicenses or permission to third parties to use the Marks of the other and is not assignable. Neither Party will do anything inconsistent with the other's ownership of their respective Marks, and all rights, if any, that may be acquired by use of the Marks shall inure to the benefit of their respective owners. The Parties shall comply with all Applicable Law governing Marks worldwide and neither Party will infringe the Marks of the other.
- 7.7 Since a breach of the material provisions of this Section 7 may cause irreparable harm for which monetary damages may be inadequate, in addition to other available remedles, the non-breaching Party may seek injunctive relief.

Financial Responsibility, Payment and Security.

- 8.1 <u>Payment Obligation</u>. Amounts payable under this Agreement are due and payable within thirty (30) calendar Days after the date of invoice (payment due date). If the payment due date is a Saturday, the payment shall be due on the previous Friday; if the payment due date is otherwise not a business day, the payment shall be due the next business day. Invoices shall be sent electronically, and shall bear the date on which they are sent, except that invoices sent on a day other than a business day shall be dated on the next business day.
- Cessation of Order Processing. Owest may discontinue processing orders for Network Elements and services provided pursuant to this Agreement for the failure of MCI to make full payment for the relevant services, less any good faith disputed amount as provided for in this Agreement, for the relevant services provided under this Agreement within thirty (30) calendar Days following the payment due date provided that Qwest has first notified MCI in writing at least ten (10) business days prior to discontinuing the processing of orders for the relevant services. If Owest does not refuse to accept additional orders for the relevant services on the date specified in the ten (10) business days notice, and MCI's non-compliance continues, nothing contained herein shall preclude Qwest's right to refuse to accept additional orders for the relevant services from MCI without further notice. For order processing to resume, MCI will be required to make full payment of all past-due charges for the relevant services not disputed in good faith under this Agreement, and Qwest may require a deposit (or recalculate the deposit) pursuant to Section 8.5. In addition to other remedies that may be available at law or equity, MCI reserves the right to seek equitable ratiof including injunctive ratiof and specific performance,
- 8.3 <u>Oisconnection.</u> Crest may disconnect any and all relevant Network Elements and services provided under this Agreement for failure by MCI to make full payment for such Network Elements or services, less any disputed amount as provided for in this Agreement, for the relevant services provided under this Agreement within sixty (60) calendar Days following the payment due date provided that Quest has first notified MCI in writing at least thirty (30) days prior to disconnecting the relevant services. MCI will pay the applicable reconnect charge set forth in the Rate Sheet required to reconnect

- Network Elements and services for each End User Customer disconnected pursuant to this paragraph, In case of such disconnection, all applicable undisputed charges, including termination charges, shall become due. If Owest does not disconnect MCI's service(s) on the date specified in the thirty (30) day notice, and MCI's noncompliance continues, nothing contained herein shall preclude Owest's right to disconnect any or all relevant services of the noncomplying Party without further notice. Owest shall provide a subsequent written notice at least two (2) business days prior to disconnecting service. Disconnect of certain Network Elements or services under this Agreement with respect to which MCI has failed to pay undisputed charges shall not trigger the disconnection of Network Elements or services for which MCI has paid all undisputed charges, and Owest shall be permitted to disconnect under this section only those Network Elements or services for which MCI fails to pay all undisputed charges prior to the expiration of the applicable thirty-day or two business day notice period. For reconnection of the non-paid service to occur, MCI will be required to make full payment of all past and current undisputed charges under this Agreement for the relevant services and Qwest may require a deposit (or recalculate the deposit) pursuant to Section 8.5. Both Parties agree, however, that the application of this Section 8.3 will be suspended for the initial three (3) Billing cycles of this Agreement and will not apply to amounts billed during those three (3) cycles. In addition to other remedies that may be available at law or equity, each Party reserves the right to seek equitable relief, including injunctive relief and specific performance. Notwithstanding the foregoing, Owest shall not effect a disconnection pursuant to this section in such manner that MCI may not reasonably comply with Applicable Law concerning End User Customer disconnection and notification, provided that, the foregoing is subject to MCI's reasonable diligence in effecting such compliance.
- 8.4 <u>Billing Disputes</u>, Should either Party dispute, in good faith, and withhold payment on any portion of the nonrecurring charges or monthly Billing under this Agreement, the Parties will notify each other in writing within fitteen (15) calendar days following the payment due date identifying the amount, reason and rationale of such dispute. At a minimum, each Party shall pay all undisputed amounts due to the other Party. Both MCI and Qwest agree to expedite the investigation of any disputed emounts, promptly provide all documentation regarding the amount disputed that is reasonably requested, and work in good faith in an effort to resolve and settle the dispute through informal means prior to initiating any other rights or remedies.
 - 8.4.1 If a Party disputes charges and does not pay such charges by the payment due date, such charges may be subject to late payment charges. If the disputed charges have been withheld and the dispute is resolved in favor of Cwest, the withholding Party shall pay the disputed amount and applicable late payment charges no later than the next Bill Date tollowing the resolution. The withholding Party may not continue to withhold the disputed amount following the initial resolution while pursuing lutther dispute resolution. If the disputed charges have been withheld and the dispute is resolved in favor of the disputing Party, Cwest shall credit the bill of the disputing Party for the amount of the disputed charges and any late payment charges that have been assessed no later then the second Bill Date after the resolution of the dispute is resolved in favor of Cwest, no further action is required.
 - 8.4.2 If a Party pays the charges disputed at the time of payment or at any time thereafter pursuant to Section 8.4.3, and the dispute is resolved in tavor of the disputing Party Qwest shall, no later than the next Bill Date after the resolution of the dispute: (1) cradit the disputing Party's bill for the disputed amount and any associated interest or (2)

pay the remaining amount to MCI, if the disputed amount is greater than the bill to be credited. The interest calculated on the disputed amounts will be the same rate as late payment charges. In no event, however, shall any late payment charges be assessed on any previously assessed late payment charges.

- 8.4.3 If a Party fails to bill a charge or discovers an error on a bill it has already provided to the other Party, or if a Party fails to dispute a charge and discovers an error on a bill it has pald after the period set forth in Section 8.4, the Party may dispute the bill at a later time through an informal process notwithstanding the requirements of Section 8.4, but subject to the Dispute Resolution provision of this Agreement, and Applicable Law.
- in the event of a material Security Deposits. 8.5 adverse change in MCI's financial condition subsequent to the Effective Date, Owest may request a security deposit. A "material adverse change in financial condition" shall mean a Party is a new CLEC with no established credit history, or is a CLEC that has not established satisfactory credit with Owest, or the Party is repeatedly delinquent in making its payments, or the Party is being reconnected after a disconnection of service or discontinuance of the processing of orders by the Billing Party due to a previous undisputed nonpayment situation. The Billing Party may require a deposit to be held as security for the payment of charges before the orders from the billed Party will be provisioned and completed or before reconnection of service. "Repeatedly delinquent" means any payment of a material amount of total monthly billing under the Agreement received thirty (30) calendar Days or more after the payment due date, three (3) or more times during a twelve (12) month period. The INITIAL deposit may not exceed the estimated total monthly charges for an average two (2) month period within the 1st three (3) months for all services. The deposit may be a surety bond if allowed by the applicable Commission regulations, a letter of credit with terms and conditions acceptable to the Billing Party, or some other form of mutually acceptable security such as a cash deposit. The deposit may be adjusted by the billing party's actual monthly average charges, payment history under this agreement, or other relevant factors, but in no event shall the security daposit exceed five million dollars (\$5,000,000.00). Required deposits are due and payable within thirty (30) calendar Days after demand and non-payment shall be subject to 8.2 and 8.3 of this Section. The Parties agree that MCI currently has at least a one-year prompt payment history with Owest, therefore, no initial deposit shall be required.
 - 8.6 <u>interest on Deposits</u>. Any interest earned on cash deposits shall be credited to MCI in the amount actually earned or at the rate set forth in Section 8.7 below, whichever is lower, except as otherwise required by law, provided that, for elimination of doubt, the Parties agree that such deposits shall not be deemed subject to state laws or regulations relating to consumer or End User Customer cash deposits. Cash deposits and accrued interest, if applicable, will be credited to MCI's account or refunded, as appropriate, upon the earlier of the expiration of the term of the Agreement or the establishment of satisfactory credit with Owest, which will generally be one full year of timely payments of undisputed amounts in tull by MCI. Upon a material change in financial standing, MCI may request and Owest with consider a recalculation of the deposit. The fact that a deposit has been made does not relieve MCI from any requirements of this Agreement.
 - 8.7 <u>Late Payment Penalty</u>. If any portion of the payment is received by Clwest after the payment due date as set forth above, or if any portion of the payment is received by Clwest in funds that are not

immediately available, then a late payment penalty shall be due to Owest. The late payment penalty shall be the portion of the payment not received by the payment due date multiplied by a late factor. The late factor shall be the lesser of: (1) The highest interest rate (in decimal value) which may be levied by law for commercial transactions, compounded daily for the number of days from the payment due date to and including the date that the MCI actually makes the payment to the Company, or (2) 0.000407 per day, compounded daily for the number of days from the payment due date to and including the date that the MCI actually makes the payment to Chrest.

- 8.8 Notice to End User Customers. MCI shall be responsible for notifying its End User Customers of any pending disconnection of a non-paid service by MCI, if necessary, to allow those End User Customers to make other arrangements for such non-paid services.
- 9.0 <u>Conversions/Terminations</u>. If MCI is obtaining services from Owest under an arrangement or agreement that includes the application of termination liability assessment (TLA) or minimum period charges, and if MCI wishes to convert such services to a service under this Agreement, the conversion of such services will not be delayed due to the applicability of TLA or minimum period charges. The applicability of such charges is governed by the terms of the original agreement, Tariff or arrangement. Nothing herein shall be construed as expanding the rights otherwise granted by this Agreement or by law to elect to make such conversions.
 - 9.1 In the event Owest terminates the Provisioning of any service to CLEC for any reason, CLEC shall be responsible for providing any and all necessary notice to its End User Customers of the termination. In no case shall Owest be responsible for providing such notice to CLEC's End User Customers. Owest shall only be required to notify CLEC of Owest's termination of the service on a timely basis consistent with FCC rules and notice requirements.
- Customer Contacts. authorized agent, shall act as the single point of contact for its End User Customers' service needs, including without limitation, sales, service design, order taking. Provisioning, change orders, training, maintenance, trouble reports, repair, post-sale servicing, Billing, collection and inquiry. MCI shall inform its End User Customers that they are End User Customers of MCI. MCI's End User Customers contacting Qwest will be instructed to contact MCI, and Qwest's End User Customers contacting MCI will be instructed to contact Owest. In responding to calls, neither Party shall make disparaging remarks about each other. To the extent the correct provider can be determined, misdirected calls received by either Party will be referred to the proper provider of Local Exchange Service; however, nothing in this Agreement shall be deemed to prohibit Qwest or MCI from discussing its products and services with MCI's or Qwest's End User Customers who call the other Party seeking such information.

11. Default and Breach

It either Party defaults in the payment of any amount due hereunder, or if either Party violates any other material provision of this Agreement, including, but not limited to, Sections 6, 7, 8, 13, 16, 21, 29, 31, 32, 34, and 35, and such default or violation continues for thirty (30) calendar Days after written notice thereof, the other Party may terminate this Agreement and seek relief in accordance with the Dispute Resolution provision, or any remedy under this Agreement.

12. <u>Limitation of Liability</u>.

- 12.1 To the extent the Agreement or an Exhibit contains an express remedy in the form of a quality of service credit or other liquidated damages in connection with services provided by Owest under this Agreement or for a fadure to provide such services, such credit shall be deemed to be MCI's sole remedy under this Agreement for losses, damages, or other claims related to or connected with the events giving rise to the claim for quality of service credit.
- 12.2 Neither Party shall be liable to the other for indirect, incidental, consequential, exemplary, punitive, or special damages, including (without limitation) damages for lost profits, lost revenues, lost savings suffered by the other Party regardless of the form of action, whether in contract, warranty, strict fiability, tort, including (without limitation) negligence of any kind and regardless of whether the Parties know the possibility that such damages could result.
- 12.3 Nothing contained in this Section 12 shall limit either Party's obligations of indemnification specified in this Agreement, nor shall this Section 12 limit a Party's liability for failing to make any payment due under this Agreement.
- 12.5 Nothing contained in this Section shall limit either Party's liability to the other for willful misconduct, provided that, a Party's liability to the other Party pursuant to the foregoing exclusion, other than direct damages, shall be limited to a total cap equal to one hundred per cent (100%) of the annualized run rate of total amounts charged by Qwest to MCI under the Agreement.
- 12.4 The foregoing limitations apply to all causes of actions and claims, including without limitation, breach of contract, breach of warranty, negligence, strict liability, misrepresentation and other torts. In any arbitration under this Agreement, the Arbitrator shall not be able to award, nor shall any party be entitled to receive recoverable under this agreement.

13. Indemnity.

- 13.1 The Parties agree that unless otherwise specifically set forth in this Agreement the following constitute the sole indemnification obligations between and among the Parties:
 - Each Party (the Indemnifying Party) agrees to release, indemnity, defend and hold harmless the other Party and each of its officers, directors, employees and agents (each an Indemnitee) from and against and in respect of any loss, debt, liability, damage, obligation, claim, demand, judgment or settlement of any nature or kind, known or unknown, liquidated or unliquidated including, but not ilmited to, reasonable costs and expenses (including attorneys' fees), whether suffered, made, instituted, or asserted by any Person or entity, for invasion of privacy, bodily injury or death of any Person or Persons, or for loss, damage to, or destruction of tangible property, whether or not owned by others, resulting from the Indemnifying Party's breach of or failure to perform under this Agreement, regardless of the form of action, whether in contract, warranty, strict liability, or fort including (without limitation) negligence of any kind.
 - 13.1.2 In the case of claims or loss alleged or incurred by an End User Customer of either Party arising out of or in connection with services provided to the End User Customer by the Party, the Party whose End User Customer alleged or incurred such claims or loss (the Indemnifying Party) shall defend and indemnify the other Party and each of its officers, directors, employees and agents (collectively the Indemnified Party) against any and all such claims or loss by

the Indemnifying Party's End User Customers regardless of whether the underlying service was provided or Network Element was provisioned by the Indemnified Party, unless the loss was caused by the gross negligence or willul misconduct of the Indemnified Party. The obligation to indemnify with respect to claims of the Indemnifying Party's End User Customers shall not extend to any claims for physical bodity injury or death of any Person or persons, or for loss, damage to, or destruction of tangitate property, whether or not owned by others, alleged to have resulted directly from the negligence or intentional conduct of the employees, contractors, agents, or other representatives of the indemnified Party.

- 13.2 The indemnification provided herein shall be conditioned upon:
 - 13.2.1 The indemnified Party shall promptly notify the Indemnifying Party of any action taken against the Indemnified Party relating to the indemnification. Failure to so notify the Indemnifying Party shall not relieve the Indemnifying Party of any Rability that the Indemnifying Party might have, except to the extent that such failure prejudices the Indemnifying Party's ability to defend such claim.
 - 13.2.2 If the Indemnifying Party wishes to defend against such action, it shall give written notice to the Indemnified Party of acceptance of the defense of such action. In such event, the indemnifying Party shall have sole authority to defend any such action, including the selection of legal counsel, and the indemnified Party may engage separate legal counsel only at its sole cost and expense. In the event that the Indemnifying Party does not accept the defense of the action, the Indemnified Party shall have the right to employ counsel for such defense at the expense of the Indemnifying Party. Each Party agrees to cooperate with the other Party in the defense of any such action and the relevant records of each Party shall be available to the other Party with respect to any such defense.
 - 13.2.3 In no event shall the indemnifying Party settle or consent to any judgment for relief other than monetary damages pertaining to any such action without the prior written consent of the Indemnified Party. In the event the Indemnified Party withholds consent the Indemnified Party may, at its cost, take over such defense, provided that, in such event, the Indemnifying Party shall not be responsible for, nor shall it be obligated to indemnify the relevant Indemnified Party against, any cost or liability in excess of such refused compromise or settlement.

14. <u>Limited Warranties</u>.

- 14.1 Each party shall provide suitably qualified personnel to perform this Agreement and all services hereunder in a good and workmanilke manner and in material conformance with all applicable laws and regulations.
- 14.2 EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, OWEST SPECIFICALLY DISCLAIMS ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, AS TO ANY SERVICE OR NETWORK ELEMENT PROVIDED HEREUNDER. OWEST SPECIFICALLY DISCLAIMS ANY AND ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR

PURPOSE, OR TITLE OR NON-INFRINGEMENT OF THIRD PARTY RIGHTS.

15. <u>Relationship.</u> Except to the limited extent expressly provided in this Agreement; (i) neither Party shall have the authority to bind the other by contract or otherwise or make any representations or guarantees on behalf of the other or otherwise act on the other's behalf; and (ii) the relationship arising from this Agreement does not constitute an agency, joint venture, partnership, employee relationship, or franchise.

16. <u>Assignment or Sale</u>.

- 16.1 MCI may not assign or transfer (whether by operation of law or otherwise) this Agreement (or any rights or obligations hereunder) to a third party without the prior written consent of the other Party. Notwithstanding the foregoing, MCI may assign or transfer this Agreement to a corporate Affiliate or an entity under its control or to a purchaser of substantially all or substantially all of MCI's assets related to the provisioning of local services in the Qwest region without the consent of Qwest, provided that the performance of this Agreement by any such assignee is guaranteed by the assignor. A Party making an assignment or transfer permitted by this Section shall provide prior written notice to the other Party. Any attempted assignment or transfer that is not permitted is void ab initio. Without limiting the generality of the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the Parties' respective successors and assigns.
- 16.2 in the event that Owest transfers to any unaffiliated party exchanges including End User Customers that MCI serves in whole or in part through facilities or services provided by Owest under this Agreement. Owest shall ensure that the transferee shall serve as a successor to and fully perform all of Owest's responsibilities and obligations under this Agreement for a period of one-hundred-andeighty (180) days from the effective date of such transfer or until such later time as the FCC may direct pursuant to the FCC's then applicable statutory authority to impose such responsibilities either as a condition of the transfer or under such other state statutory authority as may give it such power. In the event of such a proposed transfer, Owest shall use best efforts to facilitate discussions between MCI and the transferee with respect to transferee's assumption of Qwest's obligations after the above-stated transition period pursuant to the terms of this Agreement.
- 17. Reporting Requirements. If reporting obligations or requirements are imposed upon either Party by any third party or regulatory agency in connection with either this Agreement or the services, including use of the services by MCI or its End Users, the other Party agrees to assist that Party in complying with such obligations and requirements, as reasonably required by that Party.
- 19. <u>Survival</u>. The expiration or termination of this Agreement shall not relieve either Party of those obligations that by their nature are intended to survive.
- 20. <u>Publicity.</u> Following the execution of this Agreement, the Parties may publish or use any publicity materials with respect to the execution, delivery, existence, or substance of this Agreement without the prior written approval of the other Party. Nothing in this section shall limit a Party's ability to issue public statements with respect to regulatory or judicial proceedings.
- 21. Confidentiality.

- 21.1 All Proprietary Information shall remain the property of the disclosing Party. A Party who receives Proprietary Information via an oral communication may request written confirmation that the material is Proprietary Information. A Party who delivers Proprietary Information via an oral communication may request written confirmation that the Party receiving the information understands that the material is Proprietary Information. Each Party shall have the right to correct an inadvertent failure to Identify information as Proprietary Information by giving written notification within thirty (30) Days after the information is disclosed. The receiving Party shall from that time forward, treat such information as Proprietary Information.
- 21.2 Upon request by the disclosing Party, the receiving Party shall return all tangible copies of Proprietary Information, whether written, graphic or otherwise, except that the receiving Party may retain one copy for archival purposes.
- Each Party shall keep all of the other Party's Proprietary information confidential and will disclose it on a need to know basis only. Each Party shall use the other Party's Proprietary Information only in connection with this Agreement and in accordance with Applicable Law. In accordance with Section 222 of the Act, when either Party receives or obtains Proprietary Information from the other Party for purposes of providing any Telecommunications Services or information services or both, that Party shall use such information only for such purpose, and shall not use such information for its own marketing efforts. Neither Party shall use the other Party's Proprietary Information for any other purpose except upon such terms and conditions as may be agreed upon between the Parties in writing. Violations of these obligations shall subject a Party's employees to disciplinary action up to and including termination of employment, if either Party loses, or makes an unauthorized disclosure of, the other Party's Proprietary Information, it will notify such other Party immediately and use reasonable efforts to retrieve the information.
- 21.4 Nothing herein is intended to prohibit a Party from supplying information about its network and Telecommunications Services on or connected to its network to regulatory agencies including the FCC and the appropriate state regulatory commission so long as any confidential obligation is protected. In addition either Party shall have the right to disclose Proprietary Information to any mediator, arbitrator, state or federal regulatory body, the Department of Justice or any court in the conduct of any proceeding arising under or relating in any way to this Agreement or the conduct of either Party in connection with this Agreement or in any proceedings concerning the provision of InterLATA services by Qwest that are or may be required by the Act. The Parties agree to cooperate with each other in order to seek appropriate protection or treatment of such Proprietary Information pursuant to an appropriate protective order in any such proceeding.
- 21.5 <u>Effective Date of this Section</u>. Notwithstanding any other provision of this Agreement, the Proprietary Information provisions of this Agreement shall apply to all information lumished by either Party to the other in furtherance of the purpose of this Agreement, even if furnished before the Effective Date.
- 21.6 Each Party agrees that the disclosing Party could be irreparably injured by a breach of the confidentiality obligations of this Agreement by the receiving Party or its representatives and that the disclosing Party shall be entitled to seek equitable relief, including injunctive relief and specific performance in the event of any breach of the confidentiality provisions of this Agreement. Such remedies shall not be deemed to be the exclusive remedies for a breach of the confidentiality provisions of this Agreement, but shall be in addition to all other remedies available at law or in equity.

- 21.7 Nothing herein should be construed as limiting either Party's rights with respect to its own Proprietary Information or its obligations with respect to the other Party's Proprietary Information under Section 222 of the Act.
- 21.8 Nothing in this Agreement shall prevent either Party from disclosing this Agreement or the substance thereof to any third party after its execution.
- 22. <u>Waiver</u>. The failure of either Party to enforce any of the provisions of this Agreement or the waiver thereof in any instance shall not be construed as a general waiver or relinquishment on its part of any such provision, but the same shall, nevertheless, be and remain in full force and effect.
- Regulatory Approval. Each party reserves its rights with respect to whether this Agreement is subject to Sections 251 and 252 of the Act. In the event the FCC, a state commission or any other governmental authority or agency rejects or modifies any material provision in this Agreement, either Party may immediately upon written notice to the other Party terminate this Agreement and any interconnection agreement amendment executed concurrently with this Agreement. If a Party is required by a tawful, binding order to file this Agreement or a provision thereof with the FCC or state regulatory authorities for approval or regulatory review, the filing party shall provide written notice to the other party of the existence of such lawful. binding order so that the other party may seek an injunction or other relief from such order. In addition, the filing party agrees to reasonably cooperate to amend and make modifications to the Agreement to allow the filling of the Agreement or the specific part of the Agreement affected by the order to the extent reasonably necessary.
- 24. Notices. Any notices required by or concerning this Agreement shall be in writing and shall be sufficiently given if delivered personally, delivered by prepaid overnight express service, sent by facsimile with electronic confirmation, or sent by certified mail, return receipt requested, or by email where specified in this Agreement to Owest and MCI at the addresses shown on the cover sheet of this Agreement.
- 25. <u>Force Majoure</u>. Neither Party shall be liable for any delay or failure in performance of any part of this Agreement from any cause beyond its control and without its fault or negligence including, without limitation, acts of nature, acts of civil or military authority, government regulations, embargoes, epidemics, terrorist acts, riots, insurrections, fires, explosions, earthquakes, nuclear accidents, floods, work stoppages, power blackouts, volcanic action, other major environmental disturbances, or unusually severe weather conditions (collectively, a Force Majeure Event). Inability to secure products or services of other Persons or transportation facilities or acts or omissions of transportation carriers shall be considered Force Maleure Events to the extent any delay or failure in performance caused by these circumstances is beyond the Party's control and without that Party's fault or negligence. The Party affected by a Force Majeure Event shall give prompt notice to the other Party, shall be excused from performance of its obligations hereunder on a day to day basis to the extent those obligations are prevented by the Force Majeure Event, and shall use reasonable efforts to remove or mitigate the Force Majeure Event. In the event of a labor dispute or strike the Parties agree to provide service to each other at a level equivalent to the level they provide themselves.
- 26. Governing Law. This Agreement is offered by Cwest in accordance with Section 271 of the Act. Any issue of general contract taw shall be interpreted solely in accordance with the state law of New York, without reference to any conflict of laws principles.

27. Dispute Resolution.

- If any claim, controversy or dispute between the Parties. their agents, employees, officers, directors or affiliated agents should arise, and the Parties do not resolve it in the ordinary course of their dealings (the "Dispute"), then it shall be resolved in accordance with this Section. Each notice of default, unless cured within the applicable cure period, shall be resolved in accordance herewith. Dispute resolution under the procedures provided in this Section 27 shall be the preferred, but not the exclusive remedy for all disputes between Owest and MCI arising out of this Agreement or its breach. Each Party reserves its rights to resort to any forum with competent jurisdiction. Nothing in this Section 23 shall limit the right of either Owest or MCI, upon meeting the requisite showing, to obtain provisional remedies (including injunctive relief) from a court before, during or after the pendency of any arbitration proceeding brought pursuant to this Section 27. Once a decision is reached by the arbitrator, however, such decision shall supersede any provisional remedy.
- 27.2 At the written request of either Party (the Resolution Request), and prior to any other formal dispute resolution proceedings, each Party shall within seven (7) calendar Days after such Resolution Request designate a director level employee or a representative with authority to make commitments to review, meet, and negotiate, in good faith, to resolve the Dispute. The Parties intend that these negotiations be conducted by non-lawyer, business representatives, and the locations, format, frequency, duration, and conclusions of these discussions shall be at the discretion of the representatives. By mutual agreement, the representatives may use other procedures, such as mediation, to assist in these negotiations. The discussions and correspondence among the representatives for the purposes of these negotiations shall be treated as Confidential Information developed for purposes of settlement, and shall be exempt from discovery and production, and shall not be admissible in any subsequent arbitration or other proceedings without the concurrence of both of the Parties.
- If the director level representatives or the designated representative with authority to make commitments have not reached a resolution of the Dispute within litteen (15) calender Days after the Resolution Request (or such longer period as agreed to in writing by the Parties), then the Parties shall in good faith attempt to resolve the Dispute through vice-presidential representatives. If the vicepresidential representatives are unable to resolve the Dispute within thirty (30) Calendar Days after the Resolution Request (or such longer period as agreed to in writing by the Parties), then either Party may request that the Dispute be settled by arbitration. If either Party requests arbitration, the other Party shall be required to comply with that request and both Parties shall submit to binding arbitration of the Dispute as described in this Section. Notwithstanding the foregoing escalation timeframes, a Party may request that the Dispute of the type described in Section 27.3.1, below, be settled by arbitration two (2) calendar Days after the Resolution Request pursuant to the terms of Section 27.3.1. In any case, the arbitration proceeding shall be conducted by a single artificator, knowledgeable about the Telecommunications industry unless the Dispute involves amounts exceeding five million (\$5,000,000) in which case the proceeding shall be conducted by a panel of three (3) arbitrators, knowledgeable about the Telecommunications industry. The arbitration proceedings shall be conducted under the then-current rules for commercial disputes of the American Arbitration Association (AAA) or J.A.M.S./Endispute, at the election of the Party that initiates dispute resolution under this Section 27. Such rules and procedures shall apply notwithstanding any part of such rules that may limit their availability for resolution of a Dispute. The Federal Arbitration Act. 9 U.S.C. Sections 1-16, not state law, shall govern the arbitrability of the Dispute. The arbitrator shall not have authority to award punitive damages. The arbitrator's award shall be final and binding and may be entered in any court having jurisdiction thereof. Each Party shall beer its own costs and attorneys' fees, and